

MINUTES OF REGULAR MEETING  
OF THE  
BOARD OF DIRECTORS

May 16, 2018

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 185 §

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 185 (the "District") met in regular session, open to the public, at 12:00 p.m., Wednesday, May 16, 2018, at 9 Greenway Plaza, Suite 1100, Houston, Texas 77046, a designated meeting place outside the boundaries of the District; whereupon, the roll was called of the members of the Board of Directors, to-wit:

Allen Thomas	President
Scott Donahue	Vice President
Wesley Noonan	Secretary
Al Menconi	Assistant Secretary
Terrell W. Berger	Assistant Secretary

All members of the Board of Directors were present except Director Thomas thus constituting a quorum.

Also present at the meeting were Austin Alvis of NewQuest Properties; Adam Cohen and of Robert W. Baird & Co, Financial Advisors for the District; Amy Symmank with Myrtle Cruz, Inc., the District's Bookkeeper; Nick Bailey of Brown & Gay Engineers, Inc., the District's Engineer ("BGE"); Travis Benes with Environmental Allies ("Environmental"); Breah Campbell and Bart Downum with Environmental Development Partners, L.L.C., ("EDP"), Operator for the District; Kristen Scott with Bob Leared Interests ("BLI"), the District's Tax Assessor/Collector ("TAC"); John Cannon, Attorney, and Tiffany Marquez, Paralegal with Coats|Rose, P.C. ("Coats|Rose"), the District's legal counsel.

Whereupon, the meeting was called to order. A copy of the notice of the meeting is attached hereto as Exhibit "A".

**COMMENTS FROM THE PUBLIC**

No comments were provided by the public.

## **APPROVE MINUTES OF MEETING OF APRIL 18, 2018**

The proposed minutes of the meeting held on April 18, 2018 previously distributed to the Board, were presented for consideration and approval.

Upon a motion duly made by Director Menconi and seconded by Director Berger, the Board voted unanimously to approve the minutes of the meeting of April 18, 2018.

## **TAX ASSESSOR/ COLLECTOR REPORT**

The Board recognized Ms. Scott who delivered the tax collection report, a copy of which is attached hereto as Exhibit "B. She noted a resident submitted a letter requesting a waiver of penalties and interests for delinquent taxes due to no knowledge the taxes had not been paid by the title company. The Board instructed Ms. Scott to return the submitted check by said resident and allow the resident to contact the title company regarding non-payment of taxes.

Director Noonan expressed his concern that residents are unaware that the District has in recent years lowered the taxes, however the North Fort Bend Water Authority ("NFBWA") continues to raise their fees. Mr. Cannon recommended that the Operator include in the next water bill that the water fee increases have been made by the NFBWA.

After review and upon a motion by Director Menconi, second by Director Noonan and the question being put to the Board, the Board voted unanimously to approve the tax collector's report.

## **BOOKKEEPER'S REPORT**

The Board recognized Ms. Symmank who reviewed the bookkeeper's report, a copy of which is attached hereto as Exhibit "C". She noted that she had received a Strategic Partnership Agreement ("SPA") payment and explained that the payments will come quarterly.

Upon a motion brought by Director Noonan, seconded by Director Donahue the Board unanimously voted to approve the Bookkeeper's report.

## **OPERATOR'S REPORT**

The Board next recognized Ms. Campbell, who reviewed the Operator's report which includes the utility billing summary, accountability report, subsidence district report, North Fort Bend Water Authority ("NFBWA") report and the 30-day delinquent list for May 2018, a copy of which is attached hereto as Exhibit "D". Ms. Campbell reported that there are twenty-seven (27) delinquent accounts to consider for disconnection.

### **Substantial System Repairs and Maintenance**

- Ms. Campbell reminded the Board that she was authorized at the February meeting to repair the lead pump motor in the amount of \$5,090.30.

- The Operator reported on the quarterly PM on equipment at the Wastewater Treatment Plant in the amount of \$1,291.20.
- The Operator repaired damaged controls - HH in the amount of \$2,071.49.
- The Operator replaced electrical wiring for control panel in the amount of \$1,766.01.
- The Operator repaired the main fuse and wire to control panel in the amount of \$1,824.00.

#### Wastewater Treatment Plant Blower #2 Replacement

- Ms. Campbell requested authorization to replace blower #2 at the wastewater treatment plant for an estimated cost of \$3,750.00, plus an estimated cost of \$1,200.00 for EDP time and materials. The cause of failure was the bearing.

#### Critical Load Facility List

- Ms. Campbell updated the Board regarding the Critical Load Facility List, which is included in the Operator's report.

#### Consumer Confidence Report ("CCR")

- The Operator attached a draft copy of the 2017 CCR for review and approval to the Operator's report. Ms. Campbell noted that the District is required to deliver a copy of the CCR to all bill paying customers prior to July 1<sup>st</sup> of each year.

#### Larry's Tool Box & Water Conservation Efforts

- The NFBWA has provided the agreement between the District and NFBWA for the Irrigation System Evaluations Cost Sharing Agreement.

#### Delinquent Accounts and Service Terminations

- Please see attached the list of customers that received a delinquent letter by mail and are subject to disconnection of service.

#### Ratify approval of Red Flags Policy

Mr. Cannon reminded the Board of the approval of the Red Flags Policy at last month's meeting. He requested the Board ratify the approval of that action.

After review, upon a motion brought by Director Noonan, seconded by Director Berger, the Board unanimously voted to approve (i) the Operator's report; (ii) the wastewater treatment plant blower #2 replacement at an estimated cost of \$3,750.00; (iii) the water termination list; (iv) the Critical Load Facility List; (v) the CCR as presented; (vi) the agreement between the District and NFBWA for Irrigation System Evaluations Cost Sharing Agreement; and (vii) ratify the approval of the Red Flags Policy.

## **HEAR ENVIRONMENTAL ALLIES REPORT AND CONSIDER ACTING THEREON**

The Board recognized Mr. Benes who presented and reported on maintenance of the detention pond in the District, a copy of his report is attached hereto as Exhibit "E". Mr. Benes noted on page 7 of his report that the trees are outgrowing the wiring and staking placed to stabilize smaller trees. Mr. Benes was instructed to contact Ms. Orsak regarding said trees in Pin Oak Enclave.

Next, Mr. Benes noted on page 10 of the Environmental Allies report that the Buffalo Bayou slope paving was cracked. Mr. Bailey stated that the Fort Bend County Drainage District received a grant and he has continued to contact them regarding correcting the exposed pipe in that area. He added that he will continue to monitor the pipe and the slope in the interim. Mr. Benes recommended the Board consider cleaning the outfall basin and stated he would provide a proposal at the District's next meeting for consideration.

No action was taken.

## **ENGINEER'S REPORT**

The Board then recognized Mr. Bailey who reviewed the monthly Engineer's Report, a copy of which is attached hereto as Exhibit "F".

### **Consider approving Order Authorizing Application; Approve Expedited Application to TCEQ for Approval of Project and Issuance of Bonds**

Mr. Bailey included in his report a draft of the bond application report for review and approval. He plans to submit the application to the TCEQ as soon as possible.

Mr. Bailey reported that he had contacted Fort Bend County regarding plans and costs associated with moving and relocating the 12-inch water line for the new installation of the right turn lane at Gaston Road. He added that he will look into the re-location areas for said water line.

Upon a motion brought by Director Noonan, seconded by Director Menconi, the Board unanimously voted to approve (i) the Engineers report, as presented; and (ii) the Order Authorizing Application and Expedited Application to TCEQ for Approval of Project and Issuance of Bonds.

## **HEAR FINANCIAL ADVISOR'S REPORT**

The Board recognized Mr. Cohen who presented and outlined the District's analysis for the proposed \$6,800,000 bond issuance, Series 2018, a copy of which is attached hereto as Exhibit "G". No action was taken.

## ATTORNEY'S REPORT

### Consider accepting conveyance of lift station

The Board deferred action on this agenda item.

### Consider amending the Economic Development Agreement with NewQuest

The Board recognized Mr. Alvis regarding the proposed amendment to the Economic Development Agreement (the "Amendment") and stated a potential tenant for the shopping center is projected to double the reimbursable sales tax. Several Board members indicated they were favorable to the amendment.

After full discussion, upon a motion brought by Director Donahue, seconded by Director Berger the Board unanimously voted to approve the Amendment to the Economic Development Agreement with NewQuest.

### Consider closing on sale of land to NewQuest

Mr. Cannon requested the Board approve and execute all closing documents related to the sale of land to NewQuest for the water plant site. After consideration, upon a motion brought by Director Menconi, seconded by Director Berger to approve and executed closing documents related to sale of land to NewQuest for the water plant site.

Mr. Cannon drew the Board's attention to the District's constable report and WCA call log attached as Exhibit "H".

There being no other business to come before the Board, the meeting was adjourned.

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PASSED, APPROVED AND ADOPTED this 20<sup>th</sup> day of June, 2018.



Secretary, Board of Directors